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DEMS OPPOSE STATE TAKE-OVER OF DETROIT WATER AND SEWER CALL FOR ACTION ON JOBS, NOT POWER GRABS ON WEDGE ISSUES

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LANSING-Senate Democrats today voted against giving suburban control and oversight to the Detroit Water and Sewerage Department (DWSD). The system and infrastructure are owned and operated by the city of Detroit, which currently sells water and sewer services to the surrounding communities. Michigan Senate Republicans voted in favor of the measure at Senate session today. Governor Granholm vetoed a nearly identical bill last year.

"We saw an amazing display of regional cooperation in hosting the Super Bowl just this past weekend," said Senator Martha G. Scott (D-Highland Park). "This bill is exactly the opposite. It does nothing to foster future cooperation and does everything to drive a wedge between Detroit and the rest of Southeastern Michigan."

The new oversight board would approve contracts, adopt hiring procedures, approve contract extensions, and manage a host of other duties generally charged to DWSD itself. This, in effect, would make the suburbs the owners of the system that Detroit built, owns, and maintains.

"Paying the City of Detroit for providing the suburbs water doesn't mean they own the system anymore than saying I own my local Kmart because I've been shopping there for years," said Sen. Ray Basham (D-Taylor). "We need action on the things that really matter, job creation, high energy costs, and education."

Occasional higher prices in the suburbs are due to substantial mark-ups by local municipalities, not price-gouging on the part of DWSD. For example, according to figures from 2003 (the most recent numbers available), the city of Birmingham charges its residents 180% over the wholesale price Detroit charges to other cities. Other cities mark-up prices substantially, too. Walled Lake, Rochester Hills, and Livonia charge an additional 86%, 53%, and 51%, respectively.

At the city's own expense, Detroit extended their water lines to service the suburbs. Now legislators from these same suburbs are attempting a power grab, claiming they deserve control of Detroit's system. Judge John Feikens, who has presided over the

water system since the 1970s, issued an opinion on January 5th commending the work of the DWSD in complying with the provisions of the Clean Water Act and in administering rate increases. That same judge has also already ruled that this takeover is unconstitutional.

"This power grab is unconstitutional and unnecessary," said Sen. Irma Clark-Coleman (D-Detroit). "Proponents of this legislation can use any term they choose to describe it: authority, oversight, or review. But in the end, this bill is about taking control of the water and sewerage department from the City of Detroit."